

# Fairbanks North Star Borough School District Reduction in Force Plan

## Rationale

The Fairbanks North Star Borough School District experienced a significant decline of approximately two thousand (2000) students from the school year 2019-2020 to 2020-21. The FY20 student count (ADM) was 13,233; the FY21 student count was 11,271. This was due, at least in part, to the COVID-19 global pandemic. The FY22 official count came in at 12,267, which is 219 students lower than enrollment projections and 966 students below FY20 levels. Projected enrollment for the FY23 school year is 12,191.

The governor proposed a fully funded Base Student Allocation in his preliminary budget, however, the drop in projected student enrollment for FY23 as well as a step-down in the Hold Harmless clause will reduce state foundation funding by approximately \$7.4 million. The district will be “held harmless” for 25% of the actual revenue loss due to reduced student enrollment in FY21. It’s important to note that FY23 will be year 3 of the application of the Hold Harmless provision – this is the last year the district is eligible for the Hold Harmless protection.

Federal revenue for FY23 is budgeted to be \$2.1 million less than the prior year due to lower student enrollment. Local revenue is largely dictated by the Local Contribution which is appropriated by the borough assembly. The district is requesting a local contribution of \$51.4 million, which would be an increase of \$2 million. However, the borough assembly will not make a decision on this until May, therefore this increase cannot be assumed for purposes of this RIF Plan. The district’s undesignated fund balance has been depleted and is not available to be budgeted as a revenue source.

The district has received a total of approximately \$34.4 million in federal covid-related relief funds. Based on current planned expenditures of these funds for FY22, it is anticipated that approximately \$15.1 million will be available for FY23 budget planning.

Local Revenue:	\$50,602,400	(status quo)
State of Alaska:	\$113,512,205	(6.1% decrease)
Federal Government:	\$14,754,460	(12.8% decrease)
Other Revenue:	\$0	(status quo)

Total General Fund Revenue \$181,601,265 (5.0% decrease)

Based on the projected revenue, the overall revenue drop would be approximately \$9.6 million.

Alaska Statute AS 14.20.177 permits a school board to adopt a Reduction In Force (RIF) plan if it is necessary to reduce the number of tenured teachers. There are two ways for a district to qualify for a RIF: (1) if school attendance in the district has decreased or (2) the basic need of the school district determined under AS 14.17.410(b)(1) decreases by three percent or more from the previous year. The district qualifies for a RIF plan under both criteria:

1. The district has had a decrease in school attendance as follows:
  - a. FY19 ADM: 13,289;
  - b. FY20 ADM: 13,233;
  - c. FY21 ADM: 11,271;
  - d. FY22 ADM: 12,267;
  - e. Projected FY23 ADM: 12,191.
  
2. The district's Basic Need as determined under AS 14.17.410(b)(1) has decreased by three percent or more from the previous year:
  - a. Basic Need Per AS 14.17.410(b)(1) for FY19: \$149,764,522;
  - b. Basic Need Per AS 14.17.410(b)(1) for FY20: \$150,104,430;
  - c. Basic Need Per AS 14.17.410(b)(1) for FY21: \$146,428,185;
  - d. Basic Need Per AS 14.17.410(b)(1) for FY22: \$145,859,914;
  - e. Projected Basic Need Per AS 14.17.410(b)(1) for FY23: \$140,992,570.

Administration's Proposed Budget Reductions include the following certified teacher positions:

47.6 FTE	Elementary
21.5 FTE	Secondary
1.0 FTE	Career & Technical Education

The above certified teacher reductions are based on enrollment reductions, the implementation of class sizes as indicated in the 2021-22 approved budget, and includes positions in the following areas: elementary, high school, career technical education, districtwide art, instrumental music, English language learner, and charter schools.

It is possible that due to the significant reduction of teachers and programs districtwide, currently employed tenured teachers will be laid off. For example, as the result of districtwide reduction in art, instrumental music, and career technical education, some currently tenured teachers in those positions may not be qualified for open positions that require different certifications. The large number of regular education positions reduced may also result in the lack of positions available for some currently tenured teachers. This may require regular education tenured teachers to be laid off.

Staffing and program decisions will be determined by the Board of Education and will be based on final funding determinations from the Alaska State Legislature and the Fairbanks North Star Borough. In recent years the Alaska State Legislature has extended past the regular session. Such extensions make it very difficult for school districts to engage in advanced planning for funding and staffing. Legislative funding allocations may change based on adjustments to the Base Student Allocation or to other funding sources such as the transportation subsidy from the Department of Education and cost-shift measures that negatively impact the borough's capacity to provide the requested local contribution.

Given the wide range of potential factors impacting education funding, district administration and Board of Education will consider a variety of districtwide and school program options to best meet the needs of students. Throughout the budget process the Board of Education will solicit public testimony. After consideration of district administration's recommendations and stakeholder input, a reduction in tenured teaching positions may be necessary as a means for the Board of Education to approve a final balanced budget.

### **Procedures for Layoff and Recall**

If the board finds a reduction in force is necessary based upon the considerations discussed above and adopts a reduction in force plan that will include tenured teachers, the reductions in force and recall shall be conducted in accordance with Alaska Statute 14.20.177 and the terms of the collective bargaining agreement.

The following procedures will be followed:

1. The district shall provide notice of layoff as required by AS 14.20.177 and AS 14.20.140. Notice of layoff must be delivered before May 15<sup>th</sup> or be sent via registered mail postmarked before May 15<sup>th</sup>. The district will lay off tenured teachers who, because of the elimination of specific programs, are not qualified to teach in any available positions. The district will then provide layoff notice to tenured teachers in reverse order of seniority. The district may retain non-tenured teachers and place on layoff status a tenured teacher if there is no tenured teacher in the district who is available and qualified to replace the non-tenured teacher. The district will provide to FEA a list that ranks all teachers by seniority with their certification and endorsements and another list that indicates those teachers that are identified for layoff.
2. The district shall provide notice to the Association of a possible RIF involving tenured teachers pursuant to the Collective Bargaining Agreement between the district and the Fairbanks Education Association.
3. Seniority shall be defined as length of continuous service with the district in a certificated position, part-time or full-time, or a combination of both, measured from initial date of certificated employment. Periods of paid or unpaid leave or lay-off shall not be considered as interruption of service and shall be counted toward seniority. In the event a tie exists, a lottery occurs at the onset of employment to determine seniority numbers.

4. For purposes of this plan, state law provides that a tenured teacher is considered qualified for a position if the position is in
  - (a) grades K-8 and the teacher has an elementary endorsement;
  - (b) an established middle school and the teacher has
    - (i) an elementary endorsement;
    - (ii) a middle school endorsement; or
    - (iii) a secondary certificate with a subject area endorsement in the area of assignment in which the teacher filling the position will spend at least 40 percent of the teacher's time or the teacher has, within the five years immediately preceding the last date on which the teacher performed teaching services in the district before being laid off, received an evaluation stating that the teacher's performance in the subject or subjects meets the district performance standards; or
  - (c) grades 9-12 and the teacher has an endorsement for each subject area in which the teacher filling the position will spend at least 40 percent of the teacher's time or the teacher has, within the five years immediately preceding the last date on which the teacher performed teaching services in the district before being laid off, received an evaluation stating that the teacher's performance in the subject or subjects meets the district performance standards.
5. The district shall recall any tenured staff affected by this reduction in force by recalling them under the statutory hiring preference if and when, in the course of the next three years, it is determined that changed financial circumstances make it economically and educationally responsible to reinstate one or more positions. The district shall offer the position to qualified tenured teachers on layoff status in order of their seniority. Initial contact shall be by certified mail to the current address provided by the teacher and by email to the email address provided by the teacher. The president of the Association or the designated Association representative shall receive a copy of the email. Failure to respond within 30 days of receipt of the certified mail sent by the district will result in removal from the recall list. The district may, in its discretion, offer part-time positions if its financial status improves, but not to the extent necessary to reinstate the entire program or position, provided, however, that the refusal of a teacher to accept a part-time offer or less than a full year contract as defined in statute and regulation shall not terminate a laid off teacher's hiring preference.
6. A tenured teacher who has received notification of lay-off may elect to take unpaid leave for up to one year. Teachers who elect to take unpaid leave in lieu of layoff shall be considered for recall following the expiration of such leave in accord with these procedures, provided written notice is provided to the district. This leave of absence shall not be subject to any provision of Articles 200 or 300 of the Negotiated Agreement. A teacher taking a leave of absence shall be placed on a recall list at the end of the leave.

7. Continuing access to benefits shall be available to any laid off teachers to the extent provided by COBRA.
8. Layoff status does not constitute a break in service for retaining tenure rights and accrued sick leave.
9. The district shall maintain all other academic programs not affected by the plan.
10. Notice of layoff shall be provided to tenured staff affected by the reduction in force prior to the deadline set forth in AS 14.20.140.

### **Academic Program**

The FNSBSD provides an educational program that offers students a comprehensive educational experience. The district believes it is important for students to have a broad experience that encompasses academics, activities, and a variety of electives.

Class size targets will be determined by the Board of Education. Some classes may not be offered based on school and/or district enrollment. Changes in staffing levels may impact the diversity of courses and core academic and elective experiences that have previously been offered.

The reduction in force plan, which may eliminate certificated positions including tenured positions, will allow the district to maintain its core academic programs.

### **School Board Budget Process**

The Board of Education identifies the academic and other programs the district intends to provide. Administration presents a proposed budget to the Board in early February. Throughout the board's deliberations from February to May/June, a variety of stakeholder groups including community members, parents, support staff, certified staff, program managers, school principals and the Budget Committee provide input. Opportunities for public testimony are provided through public hearings at work sessions and regular board meetings. Stakeholders also have the opportunity to provide input to the board via email and the district website throughout the budget process.

A Recommended Budget will be submitted to the borough assembly by April 1. Following budgetary action from both the Alaska Legislature and the borough assembly, the board will approve a final budget by the end of June. The final approved budget of the board will determine overall staffing and provide direction to administration with regard to program priorities and initiative implementation, as well as staff cuts and a potential reduction in force.